

Memorandum

Date: October 17, 2001

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To : Robert Pernell, Presiding Member
William Keese, Associate Member

: **California Energy Commission** - James W. Reede, Jr.
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Subject : **EL SEGUNDO POWER REDEVELOPMENT PROJECT STATUS REPORT #1**

Since the Staff Assessment was filed on June 15, 2001, staff has held five workshops. On July 2, 3, 17, 18 and 25, Staff Assessment workshops were held in El Segundo to receive comments from the public and Intervenors. Many issues were resolved during these workshops and staff, the applicant, and intervenors reached agreement on the vast majority of issues. However, at the conclusion of the workshops there were still areas that needed resolution. The areas still requiring resolution were to be addressed by the applicant by Mid-August. These issues have not yet been resolved by the applicant and are discussed below.

The Coastal Commission staff has issued their comments on the Staff Assessment and has concluded they need the same information we are still waiting for. While they disagree with the timing of the impingement and entrainment study, liquefaction analysis, slope stability analysis and construction / laydown area identification, they do agree that the actions are necessary.

Significant Issues: At the Staff Assessment workshops in July, significant remaining issues were identified in six technical areas: air quality, biological resources, noise, traffic and transportation, soil & water and visual resources. Staff requested that the applicant submit additional information and / or make changes to the project to address potential impacts and supply missing deliverables so that staff could complete a supplement to the Staff Assessment in the time frame required for a twelve-month AFC review. None of this information has been received from the applicant to date.

The Preliminary Determination of Compliance (PDOC) was originally due on April 30, 2001. It was issued on May 25th, though not published for public nor EPA comment. The South Coast Air Quality Management District (SCAQMD) agreed in July that the PDOC would be reissued on or about August 17. Since then staff has continuously checked the status of the PDOC and has elevated the lack of issuance to the appropriate management levels. Part of the delay is due to the applicant's request that street sweeping be allowed for emission reduction credits and an appeal to the ARB once the air district had rejected their street sweeping proposal. For staff to complete a supplement to the Staff Assessment, we need not only the PDOC, but also the Final DOC from the SCAQMD.

Biological Resources staff had proposed in the Conditions of Certification that the applicant perform a study of impingement and entrainment impacts. The applicant countered with their desire to use existing data from nearby facilities and interpolate that data for use in assessing marine biological impacts. The applicant was to have delivered a protocol in mid-August in support of their proposal. When it was finally received on September 27, it was determined to be unacceptable and the applicant submitted a revision on October 12, that now calls for a six-week study following approval of the protocol by staff. The staff of the LA Regional Water Quality Control Board has concluded that no new NPDES permit and related studies are required at this time. Energy Commission staff requires that absent a validation of the applicant's proposed study a new impingement and entrainment study modeled after the 316(a) & (b) be performed after certification. The Energy Commission and the Coastal Commission disagree on the timing of the study, but are in agreement that a new study is needed if there is no validation of the proposed study.

Noise issues are close to resolution, although the applicant has not presented to staff the new ambient conditions information that would change staff's position of measuring proposed impacts.

Applicant has reported that the traffic issues have been resolved with the cities, however, staff has not been furnished this information.

Soil and Water Resources issues are still unresolved until such time as the applicant provides the Stormwater Pollution Prevention Plan, tank farm plan, reclaimed water plan, erosion control plans and others issues identified in the Staff Assessment.

There are a number of visual resource issues outstanding. The Coastal Commission has made a determination that the area is visually degraded, which under the Coastal Act requires the applicant to enhance the visual quality of the project. The issues still needing resolution are the architectural treatment of the facility, the lack of a landscaping plan, the tank farm plan and the photographic renderings.

Community and Agency Interest: The ESPR project is being closely followed by the beach communities of El Segundo and Manhattan Beach. About 50 members of local neighborhoods attended the public workshops held during the July timeframe.

Schedule: The Project Committee never filed a scheduling order for the ESPR project. Staff has used the schedule presented during the information hearing as its guide (see attached). Based on the attached schedule and the date the SCAQMD was to file the PDOC (April 30), the project is now more than 5 months behind schedule. The applicant has requested a minimum of 6 weeks to prepare and provide necessary information for staff to complete its analysis. Additionally, the air district has not provided a PDOC nor an FDOC, which could take an added 8 to 10 weeks. Staff is therefore requesting that the committee schedule a status / scheduling conference to resolve these issues or alternately deem the project suspended until such time as all deliverables from the applicant and other agencies are provided. A supplement to the

Staff Assessment will be issued 30 days after receipt of all outstanding deliverables noted below.

Outstanding Deliverables:

1. Architectural treatment of the facility
2. Tank farm development plan
3. Photographic renderings of the new architectural treatment
4. Landscaping Plan
5. Stormwater Pollution Prevention Plan
6. Erosion and Sediment Control Plan
7. Alternative Water Supply Plan (Reclaimed water usage)
8. PDOC and FDOC
9. Impingement and Entrainment Validation Study
10. Traffic Management Plan
11. New ambient background noise projections

cc: El Segundo Proof of Service

PROPOSED SCHEDULE

EL SEGUNDO POWER REDEVELOPMENT PROJECT (00-AFC-14)

(Issued 2/23/01)

| DATE | EVENT |
|-------------|---------------------------------------------------------------------------------|
| 12/20/00 | El Segundo Power Redevelopment Project AFC Filed |
| 2/07/01 | Energy Commission Deems AFC Complete |
| 2/23/01 | Staff Files Issue Identification Report |
| 3/01/01 | Information Hearing, Issue Scoping and Site Visit |
| 3/05/01 | Staff Files Data Requests |
| 3/14/01 | Data Request Workshop |
| 4/05/01 | Data Responses Due from Applicant |
| 4/05/01 | All ERC documentation due to SCAQMD |
| 4/16/01 | Cal ISO files recommendations regarding Transmission Line Interconnection Study |
| 4/30/01 | SCAQMD Files Preliminary Determination of Compliance |
| 5/21/01 | Coastal Commission Input |
| 6/30/01 | Staff Files Preliminary Staff Assessment (PSA) |
| 7/06/01 | SCAQMD Files Final Determination of Compliance (DOC) |
| 8/30/01 | Staff Files Final Staff Assessment (FSA) |
| 9/14/01 | Start Hearings |
| 9/17/01 | Conclude Hearings |
| 10/30/01 | Committee issues Presiding Member's Proposed Decision (PMPD) |
| 11/15/01 | Committee Conference on (PMPD) |
| 12/19/01 | Adopt Decision on PMPD |

